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*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC and Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation
of Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

BAM L.P.,

MICHAEL MANN,

MERYL MANN,

BETSY MANN POLATSCH, and

ADAM MANN,

Defendants.

Adv. Pro. No. 10-04390 (SMB)

STIPULATION AND ORDER

Irving H. Picard (the “Trustee”), as trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.*, and the substantively consolidated estate of Bernard L. Madoff individually, by and through his counsel, Baker & Hostetler LLP, and defendants BAM L.P., Michael Mann, Meryl Mann, Betsy Mann Polatsch, and Adam Mann (“Defendants”), by and through its counsel (collectively, the “Parties”), hereby stipulate and agree to the following:

1. On November 30, 2010, the Trustee filed and served the complaint against Defendants. The complaint was amended on January 25, 2012 (the “Complaint”).

2. On April 16, 2014, Defendants served an answer to the Complaint on the Trustee.

3. Numerous defendants in other related adversary proceedings, but not Defendants, filed motions to dismiss (the “Motions to Dismiss”) complaints or amended complaints filed against them by the Trustee.

4. On June 2, 2015, the Bankruptcy Court granted in part and denied in part the Motions to Dismiss for reasons set forth in its Memorandum Decision Regarding Omnibus Motions to Dismiss (the “Decision”) [ECF No. 10089 in Adv. Pro. No. 08-01789 (SMB)] which included a dismissal with prejudice of counts seeking to avoid obligations pursuant to sections 548(a)(1) and 544 of the Bankruptcy Code (the “Obligations Counts”) and a dismissal without prejudice of counts seeking to recover subsequent transfers from subsequent transferee defendants pursuant to section 550(a) of the Bankruptcy Code, applicable provisions of SIPA including section 78fff-2(c)(3) (the “Subsequent Transferee Counts”).

5. Pursuant to the Decision, the Obligations Counts are dismissed with prejudice.

6. In accordance with Federal Rule of Bankruptcy Procedure 7041(a)(1)(ii), and Federal Rule of Civil Procedure 41(a)(1), the Parties hereby stipulate to a dismissal of the

Trustee's claims against defendants Betsy Mann Polatsch and Adam Mann (the "Dismissed Defendants") in the above-captioned adversary proceeding, without prejudice to (i) the Trustee's right to seek to amend in accordance with Rule 15(a)(2) of the Federal Rules of Civil Procedure, made applicable hereto by Federal Rule of Bankruptcy Procedure 7015, and/or (ii) the Trustee's rights under Section 550(f) of the Bankruptcy Code.

7. On June 22, 2015, the Supreme Court of the United States denied *certiorari* of the Trustee's appeal of *SIPC v. Ida Fishman Revocable Trust*, 14-1128 and *Picard v. Ida Fishman Revocable Trust*, 14-1129 (the "Supreme Court Decision"), and thus section 546(e) of the Bankruptcy Code applies to this adversary proceeding.

8. Pursuant to Rule 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure, as incorporated by Rule 7041 of the Federal Rules of Bankruptcy Procedure, the Trustee's claims in Counts Two through Six of the Complaint, including all claims relating to the account maintained in the name NTC & Co. FBO Michael Mann, are hereby dismissed with prejudice.

9. Nothing herein shall affect the Trustee's claims in the Adversary Proceeding against any defendant other than the Dismissed Defendants, and the Trustee hereby preserves all his rights and claims against any defendant other than the Dismissed Defendants.

10. Upon the dismissal of the Dismissed Defendants, the caption of the Adversary Proceeding is hereby amended to delete the Dismissed Defendants from the caption. The amended caption of the Adversary Proceeding shall appear as indicated in Exhibit A hereto.

11. The provisions of this Stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and upon all creditors and parties of interest.

12. This Stipulation may be signed by the Parties in any number of counterparts, each of which when so signed shall be an original, but all of which shall together constitute one and

the same instrument. A signed facsimile, photostatic or electronic copy of this Stipulation shall be deemed an original.

Dated: August 19, 2015

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Attorneys for Defendants

SO ORDERED

Dated: August 19th, 2015
New York, New York

/s/ STUART M. BERNSTEIN
HON. STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

<p>SECURITIES INVESTOR PROTECTION CORPORATION,</p> <p>Plaintiff-Applicant,</p> <p>v.</p> <p>BERNARD L. MADOFF INVESTMENT SECURITIES LLC,</p> <p>Defendant.</p>	<p>Adv. Pro. No. 08-01789 (SMB) SIPA LIQUIDATION</p> <p>(Substantively Consolidated)</p>
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<p>IRVING H. PICARD, Trustee for the Liquidation of Bernard L. Madoff Investment Securities LLC,</p> <p>Plaintiff,</p> <p>v.</p> <p>BAM L.P.,</p> <p>MICHAEL MANN, and</p> <p>MERYL MANN,</p> <p>Defendants.</p>	<p>Adv. Pro. No. 10-04390 (SMB)</p>